

The complaint

Mrs R complains that Nationwide Building Society ('Nationwide') hasn't refunded her the money she lost after she fell victim to a scam.

What happened

The background to this complaint is well-known to both parties, so I won't repeat it in detail here. But in summary and based on the submissions of both parties, I understand it to be as follows.

In early 2019, Mrs R was looking to purchase a motor home. She came across a company online advertising a motor home for sale. They offered to deliver the vehicle if she paid a deposit. Prior to agreeing to the purchase, Mrs R says she carried out an MOT and road fund licence check on the government website. She also checked that the online company were listed on Companies House. Thereafter, Mrs R made a payment of £7,900 by bank transfer on 27 March 2019. But after the payment was made, she lost contact with the seller. And after several days, Mrs R contacted Nationwide to report she'd fallen victim to a scam. But no funds were recovered and no refund was provided.

In March 2025, through her representative a complaint was raised with Nationwide. It complained that Nationwide should have prevented the transaction from being completed and the money being lost. Nationwide rejected the complaint. It explained the disputed transaction was in keeping with her recent account activity, therefore they would not have viewed the payment as a scam risk. The complaint was then brought to this service.

Our investigator also rejected the Mrs R's complaint. He explained that he wasn't satisfied the payment looked sufficiently unusual for the account to warrant an intervention by Nationwide.

Mrs R's representative disagreed. It went on to argue that Mrs R was vulnerable having lived with clinically significant depression for almost twenty years and regularly prescribed an antidepressant. Therefore, her capacity for realistic risk assessment was compromised as a result. It said that at the time firms were expected to recognise drivers of vulnerability and design systems to prevent foreseeable harm, especially where large, unusual, irreversible payments are concerned.

In response, our investigator explained that Nationwide had not been made aware of Mrs R's vulnerabilities at the time or before the payment. He maintained that he wasn't satisfied Nationwide needed to intervene due to her most recent account activity. That said, he also explained that even if he thought that Nationwide ought to have intervened, considering the checks Mrs R says she carried out at the time, Nationwide wouldn't have refused to allow her to proceed with the payment.

As an agreement couldn't be reached, the case has since been passed to me to decide. Though through further representation, it was argued that Mrs R's vulnerability context is directly relevant when assessing whether Nationwide acted fairly and reasonably in detecting and intervening in unusual or suspicious activity.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

In this decision I've focussed on what I think is the heart of the matter here. As a consequence, if there's something I've not mentioned, it isn't because I've ignored it – I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I consider is a fair and reasonable outcome. Our rules allow me to do this, reflecting the informal nature of our service as a free alternative to the courts.

As such, the purpose of my decision isn't to address every single point raised. My role is to consider the evidence presented by the parties to this complaint, and reach what I think is an independent, fair and reasonable decision, based on what I find to be the facts of the case.

It isn't in dispute that Mrs R authorised the transactions in question. She is therefore presumed liable for the loss in the first instance. However, Nationwide is aware, taking longstanding regulatory expectations and requirements into account, and what I consider to be good industry practice at the time, that it should have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances. Firms should also have taken proactive steps to identify and assist vulnerable consumers and consumers in vulnerable circumstances, including those at risk of financial exploitation.

So, in this case, I need to decide whether Nationwide acted fairly and reasonably in its dealings with Mrs R when she made the payment of £7,900 from her Nationwide account to a new payee, or whether it should have done more than it did.

I've thought about what Nationwide could therefore reasonably have had knowledge of at the time the payment was made. Firstly, it doesn't appear that Mrs R spoke to Nationwide at the time of making the payment here.

I don't dispute that Mrs R's personal circumstances meant she was vulnerable at the time. But it doesn't appear Nationwide knew of this at the time. In the absence of any wider verbal interactions with Nationwide around the transaction I don't think it would be fair for me to find Nationwide at fault for not identifying this.

I've also considered whether the payment being made by Mrs R was significantly out of character or unusual. This is often a finely balanced matter, and Nationwide has a difficult balance to strike in how it configures its systems to detect unusual activity or activity that might otherwise indicate a higher than usual risk of fraud.

I've reviewed Mrs R's account and the payment she made to the scam. I accept the payment was being made to a new payee, but that is only one risk factor among others I'd reasonably expect a firm to take into account. That said, it would also appear other earlier non-disputed payments were also to new payees. And having considered when the payment was made, what Nationwide knew about Mrs R at the time, the payment value and who it was made to, I'm not persuaded Nationwide ought to have found the payment suspicious, such that it ought to have made enquires of Mrs R before processing it.

Overall, the payment Mrs R made didn't look significantly unusual or out of character to me. The amount involved did not stand out against the recent back drop of Mrs R receiving significant funds and making a series of other larger non-disputed transactions in recent months.

As a result, I simply don't think Nationwide was wrong to allow Mrs R to make the payment without questioning her about it. There wasn't enough about the transaction to make me think Nationwide should have suspected Mrs R might be about to fall victim to a scam.

Whilst Mrs R has undoubtedly been the victim of a cruel scam, I don't find there were any failings on Nationwide's part that would lead me to uphold this complaint.

My final decision

For the reasons given above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R to accept or reject my decision before 3 March 2026.

Mark O'Connor
Ombudsman